

Minutes Tempe Police Public Safety Personnel Retirement System Board Meeting January 4, 2018

Minutes of the Tempe Police Public Safety Personnel Retirement System (PSPRS) Board meeting, held on Thursday, January 4, 2018, 2:00 p.m., Tempe City Hall, third floor conference room, 31 E. 5th Street, Tempe, Arizona.

Board Members Present:

Steven Methvin
Rob Ferraro (via telephone)
Bill Goodman
Alex Moreno

Board Members Absent:

James Foley

City Staff Present:

Renie Broderick, Internal Services Director
Wendy Messina, HR Program Coordinator
Chris Hansen, Risk Manager
Susan Buck, Executive Assistant

Legal Counsel Present:

Cynthia Kelley

Chair Steven Methvin called the meeting to order at 2:29 p.m.

ITEM I – Consideration of Meeting Minutes:

Motion by Alex Moreno to approve the November 2, 2017 Board Meeting Minutes; second by Bill Goodman. Motion passed on a voice vote 4-0.

ITEM II – Public Appearances:

There were no public appearances.

ITEM III – Motion to Adjourn to Executive Session:

There was no Executive Session.

ITEM IV – New Members:

Motion by Alex Moreno to approve the new member applications of Daniel D. Johnson and Caleb W. Moldrem, both with pre-existing conditions as noted in file; second by Bill Goodman. Motion passed on a voice vote 4-0.

ITEM V – Prior Service:

The Board acknowledged the following prior service:

- Nathan J. Wallace, 0.270 years – Arizona State Retirement System

ITEM VI – Application to Enter the Deferred Retirement Option Plan (DROP) Program:

Motion by Alex Moreno to approve the application to enter DROP by Cindy L. Kerr; second by Bill Goodman. Motion passed on a voice vote 4-0.

ITEM VII – Retirement Applications:

Motion by Alex Moreno to approve the applications to retire from DROP of **Todd C. Bailey**, retirement date of January 5, 2018 and **Cindy L. Kerr**, retirement date of February 22, 2018; second by Bill Goodman. Motion passed on a voice vote 4-0.

ITEM VIII – Status Update on the Application for Accidental Disability Benefits by Matthew G. Murray:

Wendy Messina, HR Program Coordinator, stated that Mr. Murray had his Independent Medical Exam (IME) on November 28, 2017 and the IME report is pending. Ms. Messina stated that she hopes to receive the IME report in time for the February 1, 2018 meeting.

ITEM IX – Return to Work:

Local Board Secretary Renie Broderick stated that the State Administrator's Office notified us of several employees that retired under PSPRS and returned to work before 2009, but were never formally reviewed for a return to work by the Tempe Local Board. Staff provided a list in the Board packet that details the employee name, date retired, position retired from; date returned to work and position re-hired into. Two of the individuals listed no longer work with the City. Board Legal Counsel Cynthia Kelley stated that the statute has changed over the years and that all of the individuals listed retired previous to the significant changes in the statute; all of them were retired/rehired appropriate to the statutes in effect at the time. Ms. Kelley noted that none of the people listed were rehired back into the same position that they retired from. The Board generally discussed the statute changes over the years.

Motion by Alex Moreno to approve that **Larry Baggs, Vince Boerbon, David Hutchens, David Lewis, Thomas Ryff** and **Kerby Rapp** were able to return to work and that they met the statutory requirements in effect at the time of their return to work; second by Bill Goodman. Motion passed on a voice vote 4-0.

ITEM X – June 30, 2017 Actuarial Report (Employer Contribution Rates and Funding Rates)

Local Board Secretary Renie Broderick noted that the 2017 actuarial reports have been issued by PSPRS and were included in the Board's meeting packet. Ms. Broderick stated for the record that effective July 1, 2018 the Tempe Police Department Tier 1 and Tier 2 Fire total employer contribution rate will be 61.25%; the funded status is 41.2%. For Tier 3 members (hired on or after July 1, 2017), effective July 1, 2018 the employer contribution for Tier 3 benefits will be 9.43%; the employer contribution rate for Tier 1 and Tier 2 unfunded liability will be 45.39%; and the total employer contribution as a percentage of Tier 3 payroll will be 54.82%. The Board generally discussed the contribution rates and funded status.

ITEM XI - Board Expenditures – 3rd Quarter 2017:

Ms. Broderick stated the Board meeting packet included the Board expenditures for 3rd quarter 2017. There was no further discussion on this item.

ITEM XII – Future Meeting Date:

The next meeting is February 1, 2018.

ITEM XIII - Future Agenda Items:

There were no future agenda items.

Adjournment

Motion to adjourn by Alex Moreno; second by Bill Goodman. Motion passed on a voice vote 4-0. The meeting adjourned at 2:46 p.m.



Renie Broderick
Local Board Secretary